



The Corporation of the City of Port Colborne

Procurement Policy

December 2017

INTEGRITY: If there are any doubts that what is being done or asked by the client Division to be done might bring the integrity of the process into question, the procurement process should be suspended until the issue is resolved. Issues that cannot be resolved satisfactorily will be referred to a higher authority.

Subordinate to this are six (6) principles which provide the framework for all City of Port Colborne Procurement activities. Whenever a City of Port Colborne employee must act in a way not clearly set out in this Policy, integrity and its supporting principles will provide the necessary guidance.

CORE VALUES AND GUIDING PRINCIPLES:

1. To demonstrate honesty and sincerity while upholding the highest ethical principles, to encourage competition, reflect fairness and ensure that all potential bidders are subject to equal conditions. Through complete accountability and respect for the integrity of the process including all actions taken within it, the City shall stand the test of public scrutiny in matters of prudence and integrity.
2. To think broadly and long term; to balance city wide and neighbourhood responsibilities – to do more with limited resources; to exhibit leadership qualities in our thinking and in our actions, encourage individual and team initiatives that exceed expectations and advocate what we believe in. To increase the efficiency of our City government through fiscal responsibility and prudence.
3. To exhibit a commitment to fulfilling the vision and goals of the City through teamwork; working in full co-operation and a spirit of collegiality with staff, council, residents, businesses and external partners.
4. To make every reasonable effort to satisfy operational requirements while simultaneously obtaining best value through the procurement process so that to the greatest extent possible, openness, accountability and transparency are achieved while protecting the best interests of the Corporation and the constituents of the City of Port Colborne.
5. Without limiting the application of the confidentiality provisions of the Municipal Freedom of Information and Protection of Privacy Act, the City shall not share confidential information with any potential vendor such that that potential vendor may gain unfair advantage or suffer any disadvantage in a competitive process for the supply of Goods and/or Services to the City.
6. To let our actions promote sustainability that contributes to a balanced community, economy and environment and to minimize the footprint of our activities and to do no harm. To show respect for the needs of all residents, for all viewpoints and for the diversity of our community with a sensitivity to meeting the requirements of all residents with special needs and interests and those less fortunate.

**PROCUREMENT POLICY FOR
THE CITY OF PORT COLBORNE**

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PROCUREMENT POLICY FOR THE CITY OF PORT COLBORNE

PART I - PURPOSES, GOALS AND OBJECTIVES:

1. To meet the current and future needs of the City through the acquisition of goods and services and to carry out construction projects in a manner that enhances access, competition and fairness and results in best value or, if appropriate, the optimal balance of overall benefits to the City and its constituents while preserving organizational, and financial and civic accountability.

To establish a policy that is congruent with providing effective and efficient delivery with a commitment to maintain the integrity of the process through accountability, fairness, objectivity, efficiency, effectiveness and transparency.

This policy's purpose, goal and objective for all methods of procurement are:

- To seek a balance between cost savings and best value while protecting the interests of the City.
- To encourage competition with fair and equal treatment of all bidders through an open, honest and transparent process culminating in the fair evaluation of all bids received.
- To consider, promote and incorporate accessibility for persons with the requirements of the *Ontarians with Disabilities Act, 2001*, S.O. 2001 c.32 as amended.
- To maintain timely and relevant policies and procedures and to this end, it is intended that this By-law will be reviewed at least every five (5) years or earlier to evaluate its effectiveness.
- To ensure accountability and integrity through verification that the chosen method for expenditures will be authorized and by regularly reviewing policy to ensure that the goals and objectives of the process are being met.
- To continuously strive wherever possible and feasible, to consider environmentally friendly alternatives.

PART II - SCHEDULES:

2. The following Schedules form part of this policy:

Schedule A: Goods and Services Exempt from this Purchasing Policy

Schedule B: Purchasing Methods with Approval Authority Levels

Schedule C: List of Bid Irregularities with Applicable Consequences

Schedule D: Glossary of Purchasing Definitions and Terms

Schedule E: Statement of Lease Financing Policies

PART III - AUTHORITY - EXPENDITURE CONTROL - SCHEDULE B:

All purchases of goods and services and construction shall be authorized as follows:

3. This policy authorizes those individuals named in Schedule B to act as legal Purchasing Agents for the City. Purchases, including goods and services listed in Schedule A to this policy, may be made provided that sufficient funds are available and identified in appropriate accounts within Council approved budgets.
4. Authorized signatures, when legally required, are necessary on all purchase requisitions, purchase orders, agreements to purchase, leases or contracts for Goods, Services and Construction.
5. The Directors shall have the authority to sign Purchase Orders, Blanket Purchase Orders and Purchase Commitment agreements (contracts) that are in accordance with this policy.
6. A Contractual Agreement or Purchase Order can be issued upon authorization by City Council after having called a Tender, Quotation or Request for Proposal provided that:
 - The award is within the approved budget and is made to the lowest compliant bidder and no lower bidder was disqualified due to irregularities or informalities;
 - There is no current, pending or threatened litigation between the bidder and the City.

Further to the first point: Where there exists an irregularity or informality in a Tender, Quotation or Proposal submission process, the Director will prepare an analysis report of the bid opening, highlighting such irregularities or informalities and forward to the end user Division who will prepare a Staff Report to Council for approval and award of such Tender or Proposal;

7. The calling of a Tender, Request for Proposal or Request for Quotation may be waived with approval of Council for the procurement of goods or services in the following described situations:
 - The extension or reinstatement of an existing contract would prove more cost effective or beneficial to the City in the opinion of the Treasurer in conjunction with the appropriate Director;
 - Goods and services are available from only one source;
 - Where for reasons of time or due to the nature of the goods and services to be supplied, the interests of the City would be best served by a direct purchase, or an "Invitation to Tender" to three (3) or more selected Bidders, instead of the calling of a public Tender.
8. The Procurement process shall be carried out in accordance with the City, Procurement Policies and Procedures effective as amended.

PART IV - RESPONSIBILITIES OF THE DIVISIONS:

9. Those named in Schedule B shall also be required to:
 - Monitor adherence to the provisions of this policy and the procedures adopted for its use;
 - Be responsible for maintaining good vendor relations and for the conduct of all negotiations with vendors, subject to the other provisions of this policy;
 - Ensure that all Contract terms and conditions comply with the Bid Solicitation;
 - Prepare and approve all specifications and terms of reference;

- Manage the contract to vendor compliance with contract terms & conditions;
 - Monitor all contract expenditures and ensure that all financial limitations have been complied with and that all accounts are paid within the times set out in the Contract;
 - Monitor the performance of all contracted suppliers to ensure timely delivery;
 - Standardize the use of goods and services, where such standardization demonstrably supports the purposes, goals and objectives of this By-law; and
 - Ensure that all goods and services procured have in fact been received and meet the specifications set out in the purchase agreement or formal Contract.
10. The Directors shall manage the sale or disposal of all unusable, obsolete, worn out, disused or scrapped supplies with such sales being subject to and in accordance with the provisions of this By-law, see Section 114-117.
 11. The individuals listed in Schedule B shall endeavour to remain informed on vendor related data pertaining to a potential contractor's performance history, financial situation and practices before recommending a contract award. This will also include monitoring contractor performance and documenting evidence of such performance and advising the Directors and/or CAO in writing where the performance of a contractor has failed to comply with a contract. The Director shall have the authority to prohibit a contractor whose performance has been unsatisfactory from submitting a bid in response to a call for bids in accordance with policies adopted by Council.
 12. All individuals named in Schedule B will be required to maintain current files to serve as a historical record and an accurate audit trail in the event of a financial review, subsequent legal action or an official complaint. Current files are also important for anyone who may have to consult the file or assume responsibility for it at a later date.
 13. Tenders, Formal Quotations and Proposals are required to be kept in accordance with the City's Retention Schedule for Various Documents By-Law No. 19, as amended, and the Limitation Act 2002, S.O. 2002, c.24.

PART V - PROCUREMENT GUIDELINES:

GENERAL

14. To achieve consistent purchasing and acquisition practices the Treasurer's Division shall develop and establish procurement procedures consistent with the Purposes, Goals and Objectives set out in this policy. Procedures enacted pursuant to this policy shall be approved by Council and all operating Divisions shall be required to follow such procedures.
15. Notwithstanding the provisions of this policy, every bid document issued by the City shall contain a provision that the City shall have the right to reject the lowest or any bid at its absolute discretion, and that the City also reserves the right to reissue the bid documents in its original form.
16. No Contract or Purchase Order shall be divided so as to avoid any requirements as outlined within this policy. The splitting of purchases to avoid any of the purchasing processes outlined in this policy is prohibited.
17. A Director is authorized to obtain, prior to the adoption of the capital budget by City Council, bids, provided that the documents include a clause specifically stating that the acceptance of a bid and placing of the order is subject to budget approval by City Council and the items specified are subject to change in quantity and/or deletion.

18. In accordance with Schedule B attached, all dollar values will be in Canadian Dollars and all applicable taxes, duties and shipping shall be excluded in determining the procurement limit of authorized designates and the type of procurement process to be followed.
19. Except as otherwise stipulated, any purchase of goods, services and construction shall be made on a competitive basis, in keeping with accepted public purchasing practices and in accordance with the applicable federal, provincial and municipal laws.
20. No Contract for Services shall be awarded where the services would result in the establishment of an employee - employer relationship.
21. No employee shall purchase, on behalf of the City, any Goods, Services or Construction, except in accordance with this policy.
22. Council members shall conduct themselves in accordance with the *Municipal Conflict of Interest Act*, R.S.O. 1990, c. M.50, as amended.
23. Except as otherwise provided, no work may commence or commitment to purchase goods shall be entered into, until such time as an official Purchase Order has been issued or a Contract signed, and all necessary documents and approvals received.

TELECOMMUNICATIONS, COMPUTER EQUIPMENT AND SERVICES

24. All telecommunications, computer, video security, and electronic building access systems, software and related products and services shall be budgeted and requested through the Manager of Information Services. Where IT related purchases are part of a larger, separately budgeted/funded project, the Manager of Information Services shall be involved with specification and approval due to overriding concerns of security, corporate standards and compatibility.
25. No payment of any aforementioned commodity shall be processed by the City by any method without first receiving authorization from the Manager of Information Services.

CONTRACT WITHOUT BUDGETARY APPROPRIATION

26. The exercise of authority to award a Contract is subject to the identification and availability of sufficient funds in appropriate accounts within the City Council approved budget. Where a requirement exists for which Goods, Services or Construction are required and funds are not contained within the Council Approved Budget to meet the proposed expenditure, the Director, shall, prior to commencement of the purchasing process, submit a report to Council containing:
 - information surrounding the requirement to Contract;
 - the terms of reference to be provided in the Contract;
 - information on the availability of the funds within existing estimates, which were originally approved by Council for other purposes, or on the requirement of additional funds.

LEGAL CLAIMS AND DAMAGES

27. The City may, in its absolute discretion, reject a Quotation, Tender or Proposal submitted by the bidder if the bidder/proponent, or any officer or director of the bidder/proponent is or has been engaged, either directly or indirectly through another corporation, in a legal action or claim against the City, its elected or appointed officers and employees in relation to:
 - Any other Contract or Services; or
 - Any matter arising from the City's exercise of its powers, duties, or functions.

28. In determining whether or not to reject a Quotation, Tender or Proposal under this clause, the City will consider whether the litigation or claim is likely to affect the bidder's ability to work with the City, its consultants and representatives, and whether the City's experience with the bidder/proponent indicates that the City is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the bidder/proponent.

NO LOCAL PREFERENCE

29. The City will endeavour to achieve the best value in its commercial transaction. As a consequence, the City will not be bound to purchase Goods and/or Services based on Canadian content, nor will the City practice local preference in awarding purchasing contracts.

LOBBYING

30. No bidder shall contact any member of Council or any employee of the City to attempt to influence the award of the Contract. Any activity designed to influence the decision process, including, but not limited to, contacting any member of Council or employee of the City for such purposes as meetings of introduction, social events, meals or meetings related to the selection process, will result in disqualification of the bidder for the project to which the influential activity is deemed to be directed. Notwithstanding the above, this prohibition does not apply to meetings specifically scheduled by the City for presentations or negotiations, or to questions of staff of the City Divisions for clarification of the City's requirements.
31. In addition, no bidder who has been awarded the contract shall engage in any contract or activities in an attempt to influence any member of Council or any employee of the City with respect to the purchase of additional enhancements, options, or modules. However, a contractor may communicate with the Director or Treasurer for purposes of administration of the Contract during the term of the Contract.
32. The determination of what constitutes influential activity is in the sole discretion of the CAO, acting reasonably, and not subject to appeal.
33. At the discretion of the Director, any Bidder who violates any provisions of this Procurement By-law may be prohibited from further bid solicitation opportunities for up to 3 years as determined by the Director and approved by the CAO.

ENVIRONMENTAL CONSIDERATIONS

34. The City, through its efforts to reduce waste and increase the development and awareness of environmentally sound procurement practice, will endeavour to ensure that, wherever possible, specifications developed for the acquisition of Goods and/or Services will be amended to provide for the expanded use of products deemed to be more durable, reusable, that contain the maximum level of post consumer waste and/or recyclable content, without significantly impacting the intended use.
35. It is also recognized and understood that a thorough cost analysis will be employed so as to ensure that the products are made available at competitive prices in order to increase the development and awareness of Environmentally Sound Products.
36. Where practical, the City may award on the basis of the least potential damage to the environment and/or to those vendors capable of supplying goods which incorporate recycled materials into their product. For the purposes of this provision, recycled materials are defined as those items having a lesser or reduced effect on human health and the environment when compared to other products which serve the same purpose.

37. The City requires that all products and services including all parts and portions thereof and pre-work thereto delivered to and performed on behalf of and on the premises and facilities of the said agency must be compliant with the *Canadian Environmental Protection Act, 1999* and all its related regulations, codes of practices and guidelines.

COUNCIL APPROVAL REQUIRED

38. Despite any other provisions of this policy, the following Contracts are subject to Council approval:
- any Contract requiring approval from the Ontario Municipal Board;
 - any Contract prescribed by Statute to be made by City Council;
 - any Contract where the minimum amount of required bids are not received;
 - any Contract where the Total Cost is greater than the Council Approved Budget or where the expenditure would result in insufficient remaining funds in the project budget;
 - any Contract where an irregularity precludes the Award of a Contract to the supplier submitting the lowest bid;
 - any Request for Tender or Request for Proposal where the estimated value of the Goods, Services or Construction being purchased exceeds \$75,000;
 - any Negotiation, Single/Sole Source or Emergency procurement where the estimated value of the Goods, Services or Construction being purchased exceeds \$50,000;
 - when any Contract is required in accordance with the City's Financing Lease Policy;
 - any Contract having to do with property acquisition and disposal;
 - any Contract having to do with external audit appointments;

ACCESSIBILITY WHEN ACQUIRING GOODS AND/OR SERVICES

39. In accordance with the Human Rights Code, *Ontarians with Disabilities Act, 2001* and the *Accessibility for Ontarians with Disabilities Act, 2005* and its regulations, and specifically the integrated Accessibility Standards, Ontario Regulation 191/11, Part 1, sections 5 and 6, accessibility requirements will be incorporated into the specifications with respect to the Procurement of Goods and/or Services. Where possible, when an RFP competition is conducted accessibility will be one of the evaluating criteria that will be considered in the decision making process.

PART VI - PROCUREMENT:

CORPORATE PAYMENT CARD

40. Corporate Payment Card policies and procedures are controlled through the Treasurer's office. Corporate Payment Cards (includes either a purchasing card or credit card allocated to an employee) shall be recognized as a method of payment. Individuals authorized to use this method of payment shall adhere to all applicable procedures of the Purchasing By-Law as amended.
41. Where a Corporate Payment Card may be used, it may only be used in strict accordance with the Corporate Payment Card Procedure, as determined by the Treasurer.

BLANKET PURCHASE ORDERS

42. A Blanket Purchase Order may be used where:
- one or more Divisions repetitively order the same Goods and/or Services and the actual demand is not known in advance; or
 - a need is anticipated for a range of Goods and/or Services for a specific purpose and for which convenience and location are major factors but the actual demand is not known at the outset; and
 - the total Blanket Purchase Order is less than \$5,000.

43. A Director shall establish and maintain Blanket Purchase Orders upon request.
44. To establish prices and select sources, the Director shall employ the provisions contained in this policy for the acquisition of Goods and/or Services.
45. More than one supplier may be selected where it is in the best interests of the City.
46. Where procurement action is initiated by a department for frequently used Goods and/or Services, it is to be made with Suppliers listed in the Blanket Purchase Contract.
47. The expected quantity of the specified Goods and/or Services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the greatest extent possible, on previous usage adjusted for any known factors.

PURCHASING PROCESSES

48. The purchasing processes for Goods, Services or Construction are listed in Schedule B. Subject to the provisions of this By-Law, the following purchasing process may be used for the procurement of Goods, Services and Construction.

REQUEST FOR PRE-QUALIFICATION

49. Upon the request of a Director, and with written authorization from the CAO, the Director shall conduct a pre-qualification process to:
 - a) compile a list of qualified Suppliers eligible to submit Bids for the supply of miscellaneous occasional professional services (eg lawyers, accountants, auditors), repair and maintenance services (eg plumbers, painters, electricians and drywall contractors), or for the Acquisition of other Goods and/or Services that are likely to be required by the City on a routine basis.
 - b) to identify a list of Suppliers who are eligible to bid for a specific Acquisition to be made by the City.
 - c) to identify a list of Contractors who are eligible to bid on a specific specialized contract to be made by the City.

Pre-Qualification may be employed only in the following circumstances:

- the work will require substantial project management by the City and could result in substantial cost to the City if the Supplier/Contractor is not appropriately experienced;
 - the Goods and/or Services to be purchased must meet national safety or similar standards;
 - compatibility of the Goods and/or Services to be procured is critical to the effective conduct of some aspect of the City's business or affairs, or to the delivery of services to the public, and it would not be reasonably possible to assess such compatibility within the context of a Request for Tender or a Request for Proposal;
 - the work involves complex, multi-disciplinary activities, specialized expertise, equipment, materials or financial requirements;
 - there could be substantial impact on the City's operations if the work is not satisfactorily performed the first time; or
 - any other circumstances deemed appropriate by the CAO.
50. A Pre-Qualification document shall be provided to the potential suppliers setting out the criteria for Pre-Qualification which may include, but not limited to:
 - experience on similar work (firm and staff assigned);
 - satisfactory references provided from other customers for similar work;
 - verification of applicable licenses, approvals and certificates;

- health and safety policies and staff training; and
- financial capability.

DIRECT PURCHASES - LOW DOLLAR PURCHASES: ≤ \$5,000

51. Purchases made pursuant to this section do not require quotes but shall be made from the competitive market place at a fair market value wherever possible. These purchases may be made by using an Approved Receipt, Purchase Order or Corporate Payment Card. Low dollar purchases are considered expenditures at a value less than \$5,000.
52. The Corporate Services Division in conjunction with the Division Director shall have authority to establish Petty Cash funds in such an amount to meet the requirements of a Division for the acquisition of Goods or Services. All Petty Cash fund disbursements shall be evidenced by signing and certifying a receipt or invoice indicating that the goods have been received and shall be available for auditing purposes.

INFORMAL QUOTATION: > \$5,000 to ≤\$20,000

53. Where the requirement for Goods and/or Services has an estimated value of > \$5,000 but ≤\$20,000 the Division Manager with a properly signed purchase requisition, is authorized to make the purchase from such suppliers and upon such terms and conditions that are best for the City. Available suppliers and/or contractors can be requested to provide a quotation. Staff is to solicit a minimum of three (3) written informal quotations. In the event that three (3) quotations are requested and less than three (3) are received by the deadline provided, the quotations received will be considered. These informal quotations must be attached to the purchase requisition and voucher for audit purposes.

Informal Quotations will be called when:

- the item's estimated value is > \$5,000 and ≤\$20,000;
- sufficient funds are available and identified in appropriate accounts within Council Approved Budgets;
- the requirement can be fully defined;
- Best value can be achieved by an award selection made on the basis of the Lowest Compliant Bid that meets specifications.
- Staff is to solicit a minimum of three (3) written informal quotations. These informal quotations must be attached to the purchase requisition and voucher for audit purposes.

FORMAL REQUEST FOR QUOTATION: > \$20,000 to ≤ \$50,000

54. Where the requirement for Goods and/or Services has an estimated value of > \$20,000 but ≤ \$50,000 the Director with a properly signed purchase requisition, is authorized to make the purchase from such suppliers and upon such terms and conditions that are best for the City. Staff is to solicit through the open market a minimum of three (3) written quotations. In the event that three (3) quotations are requested and less than three (3) are received by the deadline provided, the quotations received will be considered. These quotations must be attached to the purchase requisition and voucher for audit purposes.

Formal Quotations will be called when:

- the item's estimated value is > \$20,000 and ≤ \$50,000;
- sufficient funds are available and identified in appropriate accounts within Council Approved Budgets;
- the requirement can be fully defined;
- Best value can be achieved by an award selection made on the basis of the Lowest Compliant Bid that meets specifications.
- Staff is to solicit a minimum of three (3) written formal quotations. These formal quotations must be attached to the purchase requisition and voucher for audit purposes.

FORMAL SEALED REQUEST FOR PROPOSALS (RFP)

55. A Request for Proposal procedure shall be used where:
- the purchase is required as a result of a particular problem, requirement or objective and is best described in a general specification, or they are non-standard in nature;
 - the selection of the Supplier depends more upon the effectiveness of the proposed solution rather than the price alone; and
 - the precise Goods and/or Services, or the specifications therefore, are not known or are not definable and it is expected that Suppliers will further define them.
56. Request for Proposal documents will include the following unique components:
- a) Requests for Proposals will clearly establish required project outcome or requirements and contain existing conditions if applicable. Terms of Reference must be established by a Director.
 - b) Requests for Proposals will specifically outline response requirements at time of proposal receipt.
 - c) Requests for Proposals will clearly outline "the evaluation criteria" complete with score values for each criteria component that will form the basis of contract award.
 - d) A two envelope system is to be used to isolate cost from material content.
 - e) A selection committee is to be identified and will be responsible for weighing vendor responses using established scores identified in the proposal call.
 - f) Proposal unit values or contents of vendor proposal responses will not be disclosed and will be held in confidence. Scoring activities of the selection committee will also be held in strict confidence until after the award. Only the final contract awarded price of the successful proponent will be available upon award.
 - g) Specific contract documents may be required such as architectural, engineering or construction related standard documents.
 - h) Non-Engineering Capital Construction (>\$75,000)
57. Where a Request for Proposal purchase is required, the Director shall approve purchases of **\$20,000 or less**, the CAO shall approve purchases of **more than \$20,000 up to ≤\$75,000** and City Council shall approve purchases of **>\$75,000** (see Schedule B).
58. The Director may award Contracts emanating from a Request for Proposal provided that:
- the award is made to the supplier meeting all mandatory requirements and determined, by reference to an evaluation grid, as providing best value;
 - sufficient funds are available and identified in appropriate accounts within Council Approved Budgets; and
 - the provisions of this policy are complied with; and
 - A written report prepared by the Director is submitted to Council and the Award is authorized by City Council.

59. Proposals for Professional Services shall be called and managed by the requesting Division according to the "Professional Services" section of this policy (Sections 68 to 71). All other services shall be called and managed by the requesting Division according to the purchasing methods and approval levels detailed in this purchasing policy.

FORMAL SEALED TENDERS

60. A Director is authorized to conduct a formal Request for Tender to solicit a minimum of three (3) formal sealed bids from interested bidders. Purchases where the total estimated contract price per project, or annually, is expected to be >\$50,000 are eligible to be completed through the Tender process.
61. The Tender documents are required to provide clear instructions, specifications, terms and conditions of the contract and be fully defined to permit the evaluation of Tenders against clearly stated criteria.
62. Formal sealed Tenders will be received by the Clerk's Division. Tenders shall be opened and recorded in the presence of the City Clerk or designate and at least one employee from the requesting Division. All Tenders will be opened in full view of all bidders and any members of the public who wish to attend. The names of bidders and the total tendered prices will be read out at the public opening.
63. Providing that a minimum of three (3) formal sealed Tenders have been obtained, the Director (together with the Treasurer and CAO in the case of Tenders >\$75,000) shall prepare a report to Council seeking council authorization to enter into contract with the successful lowest compliant bidder.
64. Where three (3) formal sealed tenders cannot be obtained for Goods and/or Services, justification from the Director (together with the Treasurer and CAO in the case of Tenders >\$75,000), by way of report to Council, must be made for a recommendation to award in those cases.

REQUEST FOR EXPRESSIONS OF INTEREST

65. Directors may conduct a Request for Expression of Interest for the purpose of determining the availability of Suppliers and for the purpose of compiling a list of Suppliers.
66. Every Request for Expression of Interest shall state expressly that the receipt of an Expression of Interest by the City does not create any obligation between the persons responding to the request and the City.
67. A Request for Expression of Interest may not be used as a substitute for Request for Pre-Qualification, Request for Tender, Request for Proposal or Request for Formal Quotation.

PROFESSIONAL SERVICES

68. Selection of Professional Services, such as engineers, consultants, auditors and legal services, where the requirement for these services is realistically estimated to cost \$50,000 or less, may use direct assignment under the following circumstances:
- a) The project requires special knowledge, skills, expertise or experience; or
 - b) Another organization is funding or substantially funding the project and has already selected a preferred firm and/or strict timelines have been placed on the funding; or
 - c) The confidential nature of the project is such that it would not be in the public interest to solicit competitive bids; or

- d) The preferred firm has already been selected through a formal procurement process by another public body to provide same or similar services;
- 69. Based on the vendor's written proposal, the Director is responsible for detailing the rationale supporting their decision to award the recommended firm and must submit a report to Council requesting approval.
- 70. Where the requirement for Professional Services is estimated to cost more than \$50,000, a formal Request for Proposals will be issued, with a final report to the CAO for Proposals up to \$75,000 or Council for Proposals greater than \$75,000.
- 71. Please note, all other services will fall under the purchasing methods and approval levels detailed in this purchasing policy.

PURCHASE BY NEGOTIATION

- 72. A Division Manager, upon approval of the Director, may under any of the following conditions apply negotiation procedures as follows with prior written approval of the CAO, Treasurer and Council as noted below:
 - a) When there is only one source of supply (Sole Source) for the supplies or services; or when only one source of supply is uniquely qualified to perform the work;
 - b) When due to market conditions, required goods or services are in short supply, or when urgent acquisition of required goods or services is necessary due to unexpected circumstances;
 - c) When there is merit in purchasing at a public auction;
 - d) When there is a strong business case to extend a contract beyond its initial term, such as when additional work is required that pertains to a current or recently completed project;
 - e) When the project is a pilot with the understanding that, if successful, further work will be subject to a bid process;
 - f) When required supplies must be compatible with equipment presently being used;
 - g) During negotiation of annual renewals within a contract period;
 - h) When the nature of the assignment is confidential and disclosure to several bidders is inappropriate;
 - i) where low value purchases for Goods and/or Services are to be obtained by means of a Blanket Purchase Order from single/sole source vendors or suppliers or from retail or wholesale vendors where a quotation is impractical to have;
 - j) When all tenders or bids received fail to meet specifications or terms and conditions, and it is impractical to recall tenders or formal quotations.
 - k) when the Goods and/or Services are required as a result of an emergency, which would not reasonably permit the use of a process other than Negotiation;
 - l) the required Goods and/or Services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience;

- m) where the lowest tender or quotation meeting specifications substantially exceeds the estimated cost and it is impractical to recall the tender or quotation;
 - n) where the lowest compliant bids from two or more bidders are identical;
 - o) when either none or only one bid is received in a tender or quotation call;
73. Where a negotiated purchase is required, the Director shall approve purchases of **\$20,000 or less**, the CAO shall approve purchases of **more than \$20,000 up to ≤\$50,000** and City Council shall approve purchases of **>\$50,000** (see Schedule B).
74. The methods of negotiation shall be those accepted as standard negotiating procedures that employ fair ethical practices, as outlined in the Purchasing code of ethics of the Ontario Public Buyers Association (OPBA).

SINGLE/SOLE SOURCE

75. The Single/Sole Source process will allow for a reduction in the number of Goods and/or Services required, maximized volume buying opportunities via economies of scale, reduced handling, training and storage costs, and increased cooperative purchasing opportunities.
76. The Single/Sole Source procurement procedure may be used, provided that any of the following conditions apply:
- a) where there is only one known source of supply;
 - b) where compatibility of a purchase with existing equipment, product standards, facilities or service is a paramount consideration;
 - c) where Goods are purchased for testing or trial use;
 - d) for matters involving security or confidential issues, in which case a purchase may be made in a manner that protects the confidentiality of the City or the supplier;
 - e) where the City has a rental contract with a purchase option and such purchase option is beneficial to the City.
 - f) there are no bids in response to a solicitation;
 - g) a roster for Professional Services has been developed in accordance with Section 68-71 of this By-law.
77. A management report to Council for projects >\$50,000 will be required to support the need to follow a standardization method of single sourcing a particular product, service or support activity, whereby a particular source of supply may be identified based on technical specifications
78. Where a Single/Sole Source purchase is required, the Director shall approve purchases of **\$20,000 or less**, the CAO shall approve purchases of **more than \$20,000 up to ≤\$50,000** and City Council shall approve purchases of **>\$50,000** (see Schedule B).

EMERGENCY PURCHASES

79. When an event occurs that is determined by a Director to be a threat to public health, the maintenance of essential City services, the welfare of persons or of public property, the protection of the City's physical assets, or the security of the City's interests or financial liabilities arising from unexpected conditions, and the occurrence requires the immediate delivery of goods or services

and time does not permit a Director to follow normal purchasing activities to acquire such Goods and/or Services, a Director may make such purchases without the bidding or tendering process, and is authorized to do so in the most expedient and economical means possible.

80. The list of pre-qualified suppliers will be used to select the suppliers, whenever possible.
81. For all Emergency Purchases that exceed the established Purchasing By-law approval and procedural limits, the Director shall notify the required approval authorities (See Schedule B) within two days of the event by means of a written report detailing the circumstance of the Emergency Purchase. This report shall be forwarded for approval in accordance with the non-emergency purchases approval authorities established in the Purchasing By-law.
82. In the case of a major disaster, the City of Port Colborne Emergency Plan will take effect and take precedence.

CO-OPERATIVE PURCHASES

83. Directors are hereby authorized to participate in co-operative purchasing arrangements with other municipalities, regions, local boards and public agencies with the Province, where it is in the best interests of the City to do so, and where such participation has been approved by the CAO.
84. Where an arrangement under Section 83 is to be conducted by other municipalities, regions, local boards and/or public agencies other than the City, the Director may agree on behalf of the City that the purchasing rules and policies of the entity calling the co-operative Bid Solicitation shall apply to that purchase.
85. Prior to authorization of co-operative purchasing, the CAO is required to confirm that the rules and regulations of the entity concerned are in substantial accord with the requirements of the Broader Public Sector Accountability Act, 2010, S.O. 2010, c.25 and the provisions of the Policy.

IN-HOUSE-BIDS

86. In-house bidding is a process that allows for internal City departments to compete with external entities for procurement opportunities. In-house bidding may be used for the procurement of Goods and/or Services where Council approves doing so. This may include, but is not limited to, if the City intends to contract out any service which will result in the reduction of the number of regular employees of the City.
87. Where Council approves an in-House bidding process, the Solicitation shall state expressly that in-house bidding will be permitted.

ACQUISITION OF GOODS AND SERVICES FROM OTHER GOVERNMENT BODIES

88. The City may acquire Goods and/or Services from a federal, provincial or municipal body, ministry, agency, board, corporation or authority when similar Goods and/or Services are NOT available from other sources or in the case of Provincial and Federal Standing Agreement, or other competitive procurement processes, the Director may take advantage of these opportunities if deemed to be in the best interests of the City. It is also recognized that service relocations may only be done by the designate authority (Canadian Niagara Power, Enbridge Gas).

PART VII – DESIGN & DEVELOPMENT SERVICE

89. Suppliers, potential suppliers and consulting firms shall not be requested to expend time, money, or effort to design or in developing specifications or otherwise help define a requirement beyond the normal level of service expected. Should such extraordinary services be required, the Department Manager will be advised. If there is no alternative but to request such services, then

the company providing same, shall be compensated at a pre-determined fee. The resulting specifications shall become the property of the Corporation for use in obtaining competitive bids.

90. Suppliers or Consultants who are contracted to provide Design Services and/or specifications for work to be tendered or quoted shall be precluded from submitting a bid for said work.

PART VIII- IDENTICAL BIDS

91. If the Lowest Compliant Bids from two or more bidders are identical in Total Acquisition Cost or unit price, the Director in charge of the Bid Solicitation, is authorized to enter into negotiations with the bidders who have submitted the identical prices in an attempt to obtain a lesser price and shall maintain a record in respect of such negotiations. "Best and Final Offer" may be utilized to achieve an award between the bidders.
92. The Director shall not reveal information pertaining to such negotiations or the manner in which the final price was determined to any of the bidders concerned. The Director shall include as part of the record, a report concerning the results of such negotiations.
93. When negotiations are not successful in breaking the identical tenders, then the successful bidder shall be determined by means of a draw or coin toss. The draw shall be performed in the presence of the Director in charge of the Bid Solicitation, the City Clerk, or their designate(s), and the bidders involved.

PART IX - BIDS IN EXCESS OF PROJECT ESTIMATES

94. Where Bids are received in response to a Bid Solicitation but exceed project estimates, the Director in charge of the Bid Solicitation may enter negotiations with the Lowest Compliant Bidder to achieve an acceptable Bid within the project estimate.

PART X – CHANGES TO TENDERS UNDER CALL

95. Addenda will be issued under the following circumstances:
 - a) Interpretation of Tender documents as a result of queries from prospective bidders.
 - b) Revisions, deletions, additions or substitutions of any portion of the Tender documents.

The Director or designate shall approve the issuance of any addenda.

96. A copy of all addenda shall be sent by electronic correspondence when appropriate, to each prospective bidder who obtained tender documents. All remaining Tender documents not yet distributed shall have the addenda appended.
97. Where an addendum must be issued later than two days prior to the specified closing date, the closing date may be extended to allow four working days between the issuance of the addendum and the revised closing date. This extension is optional and shall be used as required.

PART X - BID IRREGULARITIES

98. The process for administering irregularities contained in the Formal Bids Process pertaining to all contracts is set out in Schedule C.

PART XI - VENDOR NOTIFICATION OF BID OPPORTUNITIES

99. Invitations for Quotations, Tenders and Proposals may be sent to potential bidders to ensure the best possible response to the call. Every effort will be made to send notice to registered firms. The onus remains on the interested firm to review the City's website, Biddingo and/or the Ontario Public

Buyers Association's (OPBA's) websites for notification of competitions that may be of interest to them.

- Purchases <\$5,000 do not require a competitive process.
- Purchases >\$5,000 but <\$50,000:
Bid may be solicited on an invitational basis. Where the supply base is unknown or it is deemed in the best interest of the City to solicit a bid open to all suppliers, bids shall be advertised on the City's website. All solicitations shall remain open for bid by vendor for a minimum period of 15 calendar days unless critical constraints limit the period available for bidding.
- Purchases exceeding \$50,000:
Vendors for specific requirements will be notified when possible and notification for a competitive opportunity shall be posted / advertised on the City's website. All tender and proposal calls shall remain open for bid by the vendor for a minimum of 15 calendar days unless constraints limit the period available for bidding.

100. Advertisements shall be posted on the City's website by the issuance date of the bid opportunity. Any person involved in Purchases may advertise purchases for lesser amounts if he or she determines that it is in the City's best interest to do so. No additional advertising is required for purchases where bidders have been previously pre-qualified. Advertising is not required for Goods and/or Services that are identified in Schedule A of this purchasing By-law.

PART XII - NOTWITHSTANDING REPORTS/PURCHASES OUTSIDE OF POLICY

101. For proposed purchases which are outside the ambit of this policy, the requesting Division shall obtain Council approval.

PART XIII - GUARANTEE OF CONTRACT EXECUTION AND PERFORMANCE:

BID SECURITY

102. The Director may require that a Bid be accompanied by a Bid Security to guarantee entry into a Contract. The Director shall select the appropriate means to guarantee execution of the Contract. Means may include one or more of, but are not limited to, Canadian currency, certified cheque, bank draft, money order or the City's standard irrevocable standby letter of credit. Unless otherwise specified, in circumstances where a Bid Security is required, the refundable bid deposit requirements for Formal Quotations, Requests for Tenders and Requests for Proposals shall be as follows:

ESTIMATED TOTAL ACQUISITION COST	MINIMUM DEPOSIT REQUIRED
Less than \$1,000,000	10% to a maximum of \$25,000
More than \$1,000,000	5% to a maximum of \$100,000

PERFORMANCE OF CONTRACT SECURITY AND LABOUR AND/OR MATERIAL PAYMENT SECURITY

103. The Director may require that a Bid be accompanied by:
- a Performance of Contract Security to guarantee the performance of a Contract, and
 - a Labour and/or Material Payment Security to guarantee the payment for labour and materials to be supplied in connection with a Contract.

The Director shall select the appropriate means to guarantee performance of the Contract and/or payment for labour and materials supplied in connection with the Contract. Means may include one or more of, but are not limited to, Canadian currency, certified cheque, bank draft, money order, the City's standard irrevocable standby letter of credit and/or, where specified, an agreement to bond which guarantees that if the bidder is successful, he is able to obtain the required performance bond and/or labour & material payment bond issued by an approved guarantee company properly licensed in the province of Ontario, on bond forms acceptable to the City.

104. Prior to the commencement of work, evidence of insurance coverage satisfactory to the City must be obtained, ensuring indemnification of the City from any and all claims, demands, losses, costs or damages resulting from the performance of a Bidder's obligations under the Contract and from any other risk determined by the City as requiring coverage.
105. Prior to payment to a supplier, a Certificate of Clearance from the Workplace Safety and Insurance Board shall be obtained ensuring all premiums or levies have been paid to the Workplace Safety and Insurance Board to the date of payment.
106. Where applicable, All Consultants, Contractors and Subcontractors working on site or on behalf of the Corporation of the City of Port Colborne shall comply with the provisions of the *Workplace Safety and Insurance Act*, S.O. 1997, c. 16, as amended and ensure that all employees and all those of subcontractors performing work under contract with the Corporation shall be covered by said Act. Prior to the commencement of any work, the vendor shall furnish a WSIB certificate in form and content satisfactory to the City. No Vendor shall commence any work under contract without this requirement being fulfilled.

PART XIV - CONTRACTUAL AGREEMENT:

107.
 - a) The award of Contracts for all purchases shall be made by way of a formal agreement or as a Purchase Order. The only exceptions allowed will be on purchases made through Petty Cash, Approved Invoices or Corporate Payment Card in accordance with this policy or for items listed in Schedule A attached, unless specifically requested by the requisitioner.
 - b) A Purchase Order is to be used when the resulting Contract requires only the City's standard contractual terms and conditions.
 - c) A formal agreement is to be used when the resulting Contract is complex and will contain terms and conditions other than the City's standard contractual terms and conditions.
 - d) It shall be the responsibility of the Director in charge of the particular Bid Solicitation and/or the City Solicitor to determine if it is in the best interests of the City to establish a formal agreement with the supplier.
 - e) Where it is determined that a formal agreement is required, the formal agreement shall be reviewed and approved for execution by the City Solicitor.
 - f) Where a formal agreement is required, the Director may execute the agreement in the name of the City.
 - g) Where a formal agreement is issued, the Director may issue a Purchase Order incorporating the formal agreement.
 - h) Where a formal agreement is not required, the Director shall issue and execute a Purchase Order incorporating the relevant terms and conditions.

PART XV - CONFLICT OF INTEREST:

108. An employee has an indirect pecuniary interest in any Contract in which the City is concerned, if,
- a) the employee or his or her spouse:
 - is a shareholder in, or a director or senior officer of, a corporation that does not offer its securities to the public that has a pecuniary interest in the Contract,
 - has a controlling interest in or is a director or senior officer of, a corporation that offers its securities to the public that has a pecuniary interest in the Contract, or
 - is a member of an incorporated association or partnership, that has a pecuniary interest in the matter; or
 - b) the employee or his or her spouse is in the employment of a person, unincorporated association or partnership that has a pecuniary interest in the Contract.

Where an employee involved in the Award of any Contract, either on his or her own behalf or while acting for, by, with or through another person, has any pecuniary interest, direct or indirect, in the Contract, the employee:

- shall immediately disclose the interest to the Director involved in the award of the Contract and shall describe the general nature thereof;
 - shall not take part in the Award of the Contract;
 - shall not attempt in any way to influence the Award of the Contract
109. No-one shall open and consider any bid, or otherwise acquire any Goods and/or Services from an elected official, officer or employee of the City unless the elected official, officer or employee obtains approval from Council prior to the close of the bid or the acquisition of the Goods and/or Services.
110. No Council member or employee of the City may purchase goods or services for personal use through the City unless authorized by Council or the Director and the City Clerk or unless the item is sold through open competitive auction.
111. No elected official of the City shall be allowed to contact a person, or any officer, employee or agent of the person who has submitted a bid to the City unless the bid call has been awarded or the contact is for the purpose of receiving a complaint.
112. No City employee other than the employee responsible for the bid solicitation shall be allowed to contact a person, or any officer, employee or agent of the person who has submitted a bid to the City unless the bid call has been awarded or the contact is for the purpose of receiving a complaint.
113. All bidders shall disclose to the City prior to submitting a Bid and/or accepting a Contract, any actual or potential conflict of interest. If the Director determines a conflict of interest exists, the City may at its discretion not consider the Bid submitted or not award the contract or consider other Bids, or terminate the contract.

PART XVI - DISPOSAL OF SURPLUS:

114. The disposal of surplus and obsolete equipment shall be evaluated on a case by case basis. Any proceeds from disposals of equipment will be allocated to the equipment reserve.

115. The Director shall have the authority to sell, exchange, or otherwise dispose of Goods declared as surplus to the needs of the City, and where it is cost effective and in the best interest of the City to do so, items or groups of items may:
- a) be offered for sale to other City Divisions, City Affiliates, other government agencies or public authorities; or
 - b) be sold by external advertisement, formal request, auction or public sale (where it is deemed appropriate, a reserve price may be established); or
 - c) be sold or traded to the original supplier or others in that line of business where it is determined that a higher net return will be obtained than following other procedures; or
 - d) be donated to a non-profit agency; or
 - e) be recycled;
116. Where the item has limited market value (less than \$500) and in the event that all efforts to dispose of Goods by sale are unsuccessful, these items may be sold via employee auction, scrapped or destroyed, if recycling is unavailable.
117. No disposition of such Good(s) shall be made to employees, elected officials, or their family members unless such Good(s) are sold through external advertisement, employee auction, formal request, public auction or public sale and no conflict of interest exists. Prior to any such disposition, the employee shall declare their interest in writing to their Division Manager, or in the case of an elected official to the CAO, who will confirm whether any conflict of interest exists.

PART XVII – PAYMENT:

118. The Treasurer shall, subject to the requirements of the Municipal Act, honour and pay for all Goods and/or Services covered by a Purchase Order, Contract or other authorized purchase processes available to the City Divisions.
119. No prepayment of all or part of any goods, services or equipment shall be made unless provision for it is included in the Purchasing agreement as evidenced by a tender, purchase order, or other form of purchasing contract.
120. Purchases may be made by cash, for goods that are picked up by an authorized requisitioner provided they do not exceed petty cash guidelines.

PART XVIII - INVENTORY CONTROL:

121. A system of materials management and inventory control methods shall be used to maintain an adequate level of commodities to support and supply all Divisions.

PART XIX - ACCESS TO INFORMATION:

122. The disclosure of information received relevant to Solicitation or Awards shall be made by the appropriate officers in accordance with the provisions of all relevant privacy legislation including primarily the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.M.56 (MFIPPA), as amended.
123. All suppliers who contract with the City shall adhere to or exceed the standards set out in MFIPPA or other relevant provincial or federal legislation or common law, as may be passed or amended from time to time, as if they were agents of the City. This relates to the confidential and secure

treatment, including collection, use, disclosure or retention of personal information, other confidential information of the City, and all records thereof which they come into contact with in the course of performing services or providing goods to the City.

PART XX - ETHICS IN PURCHASING:

124. The code of purchasing ethics established by the Ontario Public Buyers Association (OPBA) shall apply to all staff involved in the procurement process. The Ontario Public Buyers Association's Code of Ethics is based upon the following tenets and all employees who are authorized to purchase supplies and/or services on behalf of the City are to adhere to the following:
- **Open and Honest Dealings with Everyone who is involved in the Purchasing Process.** This includes all businesses with which the City contracts or from which it purchases Goods and/or Services, as well as members of our staff and of the public.
 - **Fair and Impartial Award Recommendations for All Contracts and Tenders.** This means that we do not extend preferential treatment to any vendor, including local companies. Not only is it **against the law**, it is not good business practice, since it limits fair and open competition for all vendors and is therefore a detriment to obtaining the best possible value for each tax dollar.
 - **An Irreproachable Standard of Personal Integrity on the Part of All Those Designated as Purchasing Representatives for This City.** Absolutely no gifts or favours are accepted by the purchasing representatives of this City in return for business or the consideration of business. Also, the purchasing representatives of this City do not publicly endorse one company in order to give that company an advantage over others.
 - **Co-operation with Other Public Agencies in Order to Obtain the Best Possible Value for Every Tax Dollar.** This City is a member of a co-operative purchasing group. Made up of several public agencies, this group pools its expertise and resources in order to practice good value analysis and to purchase Goods and/or Services in volume thereby saving tax dollars.

PART XXI - LEASE FINANCING:

125. In certain circumstances, it may be economically advisable for the City to enter into a financing lease to acquire the rights to use capital property and equipment rather than an outright purchase. See Schedule E, which details the procedures to be followed when evaluating potential financing lease agreements and the corresponding reporting requirements to Council.

PART XXII - RESOLUTION OF QUESTIONS OF POLICY:

126. Any question involving the meaning or application of this policy shall be submitted, in writing, to the Treasurer who will resolve the question.

PART XXIII - PROVIDING ASSISTANCE TO OTHER AGENCIES:

127. The Director, provided there is no adverse impact upon the operations of the City, may lend, lease, rent or otherwise provide any vehicle, equipment or other goods as owned by the City to any federal, provincial or municipal body, ministry, agency, board, corporation or authority where such is in need because of unforeseen conditions.

PART XXIV - ADMINISTRATION:

128. This policy will be subject to complete review by no later than November 30, 2022.
129. In this policy, unless the context requires otherwise, words importing the singular shall include the plural and words importing the masculine gender, shall include the feminine.

SCHEDULE A

GOODS AND SERVICES EXEMPT FROM THIS PURCHASING POLICY

Procurement processes are not required for the following items unless specifically requested by the management team (no purchase orders are required), provided sufficient budget is available:

1. Petty Cash Items

2. Training and Education (Registration/Tuition Fees and mileage)

- a) Conferences
- b) Courses
- c) Conventions
- d) Magazines
- e) Memberships
- f) Periodicals
- g) Seminars
- h) Staff Development
- i) Staff Workshops
- j) Subscriptions
- k) Counselling Services

3. Refundable Employee Expenses

- a) Advances
- b) Meal Allowances
- c) Miscellaneous - Non-Travel
- d) Travel Expenses
- e) Public Relations Expenses

4. Employer's General Expenses

- a) Payroll Deductions
- b) Medicals
- c) Licenses
- d) Debenture Payments
- e) Insurance Premium Payments
- f) Grants to Agencies (Council Approval)
- g) Damage Claims
- h) Petty Cash Replenishment
- i) Tax Remittances
- j) Property Tax Refunds
- k) Workplace Safety and Insurance Board (WSIB) Remittance
- l) Building Permit Refunds
- m) Employee Compensation
- n) Charges to or from Other Government Agencies
- o) Lease Payments
- p) Land Purchases and Expropriations
- q) Sinking Fund Payments
- r) Advertising
- s) Office supplies

5. Professional and Special Services

- a) Committee Fees
- b) Counselling & Legal Services
- c) Banking Services
- d) Appraisal Charges
- e) Physician Fees
- f) Honorarium
- g) Arbitrators
- h) Couriers
- i) Temporary Help
- j) Bailiff or collection agencies
- k) Audit and Accounting Services
- l) Insurance Brokers/Agents
- m) Group Benefits
- n) Multi-year agreement payments, ie software, copiers
- o) Realty Services
- p) Artistic and Recreational Services (instructors)

6. Utilities

- a) Postage
- b) Water and Sewage
- c) Hydro
- d) Heating Fuels
- e) Telephone (basic services)
- f) cable

SCHEDULE B
PURCHASING METHODS WITH APPROVAL AUTHORITY LEVELS

Dollar Value	Purchasing Method / Requirements	Section Reference	Purchasing Authority	Approval Authority
Direct Purchases				
≤ \$5,000	Direct Purchase	51-52	Foreman/ Supervisor	Division Manager
Informal Quotation				
> \$5,000 to ≤ \$20,000	Request for Informal Quotation Minimum of 3 Invitational Written Quotations	53	Division Manager	Director
Formal Quotation				
>20,000 to < \$50,000	Request for Formal Quotation Minimum of 3 Invitational/Advertised Written Quotations	54	Division Manager or Director	CAO
Request for Tender				
> \$50,000 to ≤ \$75,000	Request for Tender Openly Advertised Request for Tenders	60-64	Director	CAO
> \$75,000			Director, CAO and Treasurer	City Council
Request for Proposal				
≤ \$20,000	Request for Proposal Minimum of 3 Sealed Proposals	55-59	Division Manager	Director
> \$20,000 to ≤ \$75,000			Director	CAO
> \$75,000			Director, CAO and Treasurer	City Council
Purchase By Negotiation				
≤ \$20,000	Purchase by Negotiation Situation whereby inviting tenders or quotations may be waived.	72-74	Division Manager	Director
> \$20,000 to ≤ \$50,000			Director	CAO
> \$50,000			Director, CAO and Treasurer	City Council
Single/Sole Source				
≤ \$20,000	Single/Sole Source Contract is negotiated directly without being selected through a competitive process, or where there is only one known source of supply	75-78	Division Manager	Director
> \$20,000 to ≤ \$50,000			Director	CAO
> \$50,000			Director, CAO and Treasurer	City Council
Emergency Purchases				
≤ \$20,000	Emergency Purchase Made during an event in the City, which in the opinion of the Director requires an immediate purchase to prevent a serious delay in acquiring needed Goods and/or Services, which could result in a danger to life, excessive damage to property and/or the environment, or the suspension of the provision of an essential service.	79-82	Division Manager	Director
> \$20,000 to ≤ \$50,000			Director	CAO
> \$50,000			Director, CAO and Treasurer	City Council

Sales taxes, excise taxes, goods and service taxes, duties and freight shall be excluded in determining the price of a contract for the supply of goods or services for the purpose of the relationship of the price to the preauthorized expenditure limit. In the case of multi-year supply and/or service contracts, the preauthorized expenditure limit shall refer to estimated/annual expenditure under the contract.